

1. To add, delete, or change the business telephone number of an attorney or a legitimate legal service organization provided the attorney is not related to the prisoner by blood or marriage.
2. To add, delete, or change the telephone number of a public official (i.e., any elected federal, state, or local government official, or a consulate general) who has made a written request to not have his/her calls monitored.
3. To delete any other number from a PAN containing the maximum allowable numbers so the prisoner may enter a new number. This shall be permitted only for special circumstances as set forth in facility operating procedures (e.g., the number on the PAN belongs to an immediate family member and has been changed) and only if authorized by the Warden or designee. The Warden may require verification of the need to delete the number. Only staff designated by the Warden may delete a telephone number from a prisoner's PAN.

To request a PAN change for the reason set forth in no. 1 above, the prisoner must submit a completed Telephone Agreement and Number List form (CAJ-370) as is currently required under PD 05.03.130. A Telephone Agreement and Number List shall not be used for any other purpose. Requests to add, delete, or change the telephone number of an attorney, a legitimate legal service organization, or a public official shall be processed as set forth below for non-monitored telephone calls.

#### NON-MONITORED TELEPHONE CALLS

All telephone calls shall be monitored except for calls to attorneys and legitimate legal service organizations identified by the prisoner (subject to verification), to a public official upon request of the public official, and to a number on the universal list which is identified as not being subject to monitoring.

##### Public Officials

Requests received from a public official to not have his/her telephone calls monitored shall be processed as set forth in PD 05.03.130. The CFA Deputy Director or designee shall notify the appropriate Warden within one business day after receipt of notification from PCS that the number has been entered as a non-monitored number. The Warden shall ensure that the prisoner is notified in writing within one business day after receipt of notification from the CFA Deputy Director or designee.

##### Attorneys and Legitimate Legal Service Organizations

To not have the business telephone number of an attorney or legitimate legal service organization monitored, a prisoner must submit a completed Telephone Agreement and Number List form (CAJ-370) as is currently required under PD 05.03.130. Housing unit staff shall verify the number as set forth in PD 05.03.130. Once verified, the information shall be transmitted to PCS within one business day. PCS will add the number to the prisoner's PAN as one of his/her 20 allowable personal numbers but designate it as not subject to monitoring, and provide written confirmation to the institution of this action, within two business days. Designated facility staff shall notify the prisoner that the number has been added to his/her PAN as a non-monitored number within one business day after receipt of confirmation from PCS.



Prisoners should not call an attorney or legitimate legal organization until confirmation is provided that the call will not be monitored. A call made by a prisoner prior to receiving confirmation that the number has been added to his/her PAN as being non-monitored may result in the call being monitored. All monitored calls will be identified as such by a voice-over announcement at the beginning of the call which both the prisoner and the party being called can hear. A prisoner who chooses to continue a call to an attorney or legitimate legal service organization after being notified that the call is being monitored does so with the understanding that s/he is waiving any right s/he may have to confidentiality.

#### NOTICE OF MONITORING

PD 05.03.130 currently requires Wardens to ensure that signs are posted on or beside each telephone designated for prisoner use which specifically state that all calls are being recorded and may be listened to. The signs are required by PD 05.03.130 to be in English, Spanish, and, at facilities designated to house visually impaired prisoners, Braille. PCS will include this required information in both English and Spanish on a label affixed to each telephone. Additional signs are not required. Signs in Braille are no longer required since the voice-over announcement at the beginning of each call provides adequate notice of monitoring to those who are sight-impaired. Wardens shall ensure that the label is replaced if it is removed or defaced in a way that makes it illegible.

#### ACCESS TO TELEPHONE MONITORING RECORDS

In addition to those authorized access to telephone monitoring records under PD 05.03.130, a Warden who believes it is necessary to access telephone monitoring records of a prisoner at another institution may authorize his/her Deputy Warden, Inspector, or other staff responsible for the call control system at his/her institution to access those records with written approval of the Warden of the institution at which the prisoner is housed. If approved, the Warden approving the request shall contact the Automated Data Systems Section to allow for access.

#### CALLS BETWEEN PRISONERS WHO ARE IMMEDIATE FAMILY MEMBERS

Paragraphs MM through PP of PD 05.03.130 set forth the process for a prisoner to call another prisoner who is an immediate family member. Such calls are no longer allowed except in an emergency situation as determined by the Warden or designee. Emergencies include critical illness or death of an immediate family member, serious prisoner illness, and other situations as determined by the Warden or designee. Approval is required by the Wardens of the institutions at which both prisoners are housed. If approved, designated staff at the facility at which the prisoner who requested the call is housed shall arrange and schedule the telephone call. The call shall be placed and received in the housing unit by housing unit staff. Once the call is connected, the prisoners shall be permitted to begin their conversation, which shall not exceed 15 minutes. Housing unit staff shall be present for the duration of the call and listen to the entire conversation. Housing unit staff shall terminate the call for any of the reasons set forth in Paragraph HH of PD 05.03.130 or if the prisoner engages in any misconduct during the telephone call.



STATE OF MICHIGAN  
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET  
 PROCUREMENT  
 P.O. BOX 30026, LANSING, MI 48909  
 OR  
 530 W. ALLEGAN, LANSING, MI 48933

**CHANGE NOTICE NO. 2**  
 to  
**CONTRACT NO. 071B1300208**  
 between  
**THE STATE OF MICHIGAN**  
 and

| NAME & ADDRESS OF CONTRACTOR:  | PRIMARY CONTACT | EMAIL                   |
|--|-----------------|-------------------------|
| <b>Public Communications Services, Inc.</b><br><b>11859 Wilshire Blvd, Suite 600</b><br><b>Los Angeles, CA 90025</b> | Chris Moore     | Chris.Moore@gtl.net     |
|  | TELEPHONE       | CONTRACTOR #, MAIL CODE |
|  | (855) 466-2832  |                         |

| STATE CONTACTS                 | AGENCY | NAME          | PHONE          | EMAIL                |
|--------------------------------|--------|---------------|----------------|----------------------|
| CONTRACT COMPLIANCE INSPECTOR: | MDOC   | Cheryl Groves | (517) 373-0287 | GrovesC@michigan.gov |
| BUYER:                         | DTMB   | Steve Motz    | (517) 241-3215 | motzs@michigan.gov   |

| CONTRACT SUMMARY:   |                         |                   |   |
|---|-------------------------|-------------------|---|
| DESCRIPTION: <b>Inmate Telephone Services</b>   |                         |                   |   |
| INITIAL EFFECTIVE DATE  | INITIAL EXPIRATION DATE | AVAILABLE OPTIONS | CURRENT EXPIRATION DATE   |
| February 9, 2011  | February 8, 2016        | Two, One Year     | February 8, 2016  |
| PAYMENT TERMS   | F.O.B                   | SHIPPED           | SHIPPED FROM  |
| N/A   | N/A                     | N/A               | N/A   |
| ALTERNATE PAYMENT OPTIONS:  |                         |                   | AVAILABLE TO MIDEAL PARTICIPANTS                                    |
| <input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other |                         |                   | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO |
| MINIMUM DELIVERY REQUIREMENTS:  |                         |                   |   |
| N/A   |                         |                   |   |

| DESCRIPTION OF CHANGE NOTICE:  |                                   |                      |
|--|-----------------------------------|----------------------|
| OPTION EXERCISED:  | IF YES, EFFECTIVE DATE OF CHANGE: | NEW EXPIRATION DATE: |
| <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES  |                                   |                      |
| Effective immediately this Contract is amended to include a pilot program for walk-up, ATM style self service kiosks for prepaid phone deposit services to be located at the MDOC Correctional Facilities outlined in the attached. All other Terms, Conditions and Specifications remain unchanged. |                                   |                      |
| VALUE/COST OF CHANGE NOTICE:   |                                   | \$0                  |
| ESTIMATED REVISED AGGREGATE CONTRACT VALUE:  |                                   | \$5.00               |

# Walén, Enclosure 11

## FINAL PRICING COMPARISON

|                                  | BASE RATES       |                  |                  |                  | Cell Phone Detection  | Technol Grant/Spec Equip   | Notes  |
|----------------------------------|------------------|------------------|------------------|------------------|---|--|--|
|                                  | Credit<br>Intra  | Inter            | Debit<br>Intra   | Inter            |   |  |  |
| 1 Embarq                         | 0.065            | 0.065            | 0.059            | 0.059            | With \$2 million technology grant in each of yrs 1, 2 & 3, rates wld be \$.10 credit and \$.09 debit, i.e., \$.03 - .035 increase | Specifically for cell phone detection  | Orig price was \$.065 for both collect & debit.  |
| 2 Global                         | 0.030            | 0.030            | 0.030            | 0.030            | Has options for ITT Cell Hound and/or INAC at one facility.   | Tecore With \$3 million technology grant for each of 4 yrs and no other options, rate wld be \$.07, i.e., \$.04 increase. Explanation of technology grant says: In the face of declining tax revenues and budget shortfalls, GTL's proposed Technology Grants provide the State of MI an immediate opportunity to infuse much-needed resources into the state. Imagine the priorities of the state that are not able to be addressed due to the lack of funding that could be addressed by selecting one of our  | Uses term "special equip" to refer to equip & software needed to have secure system in prison - presumably monitoring, shut-off, etc. Orig price was \$.0325 for collect & debit.  |
| 3 Unisys                         | 0.057            | 0.057            | 0.047            | 0.047            | Price includes 20 laptops loaded w/mobile cell phone detection sensors.   | None   | Orig. price was \$.063 collect and \$.053 debit  |
| 4 PCS<br>Revised<br>w/Shawn Tech | 0.0298<br>0.0393 | 0.0298<br>0.0393 | 0.0248<br>0.0343 | 0.0248<br>0.0343 | Add'l \$.01/minute  | Exec Summary says: "Understanding that budgets are shrinking for all state agencies, as part of our Best and Final Offer, PCS is also willing to work with the MDOC to create a Special Equip Fund to help bridge any potential budget shortfalls. The amt of this fund can be set at the discretion of the MDOC. For example, if the MDOC were to leave calling rates at their current levels, PCS could offer more than \$5 million per year for the Special Equipment Fund (as outlined in the Optional Services Section of this response.) In 6P, fn (1) to Optional Services chart, says: "For each \$0.0075 increase in the per-minute rate, PCS will deposit \$500,000 per year into a Special Equipment Fund to be controlled by MDOC. PCS is willing to work w/MDOC to increase or decrease the amount of the Special Equip. Fund to meet MDOC's budgetary needs." No mention of percent to PCS or of | Original rates were \$.059 collect, \$.049 debit. Orig special equipment fund price was \$500,000/yr for \$.005/minute.  |
| 5 Pinnacle                       | 0.12             | 0.12             | 0.085            | 0.085            | None  | None   |  |
| 6 Securus                        | 0.035            | 0.035            | 0.035            | 0.035            | Two options: Cell Antenna - no estimate. Orion/handheld - 40 units + training, = \$.03/minute                                     | Would provide whatever optional services DOC wants thru Technology Grant. Per minute rate increase to be determined by desired services. Increase could be for life of contract or shorter period. Notes that DOC could choose to continue higher rate after cost of optional services has been paid. Assumes \$.01 increase for technology grant would yield \$617,254.   | Gives long list of optional services - some with cost estimates. One is enhanced infrastructure design utilizing Shawn Tech as subcontractor - no estimates. Orig price was \$.044 for collect and debit. Orig had same 2 options for cell phone detection, no special equip fund. |





RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF CORRECTIONS  
LANSING

DANIEL H. HEYNS  
DIRECTOR

January 10, 2013

Kay D. Perry, Executive Director  
MI-CURE  
PO Box 2736  
Kalamazoo, MI 49003-2736

Dear Ms. Perry:

Thank you for your recent letter regarding the Michigan Department of Corrections (MDOC) contract with Public Communication Services (PCS) for prisoner telephone services. Specifically, you were asking for additional information relating to the Special Equipment Fund (SEF).

You asked for the following information:

- 1) The statement of work that describes the services PCS will provide relating to the SEF.
- 2) The measurable outcomes expected in connection with PCS's management responsibilities.
- 3) Who is monitoring PCS's performance?
- 4) How is the State measuring its return on investment for the SEF "fee"?

First, one point of clarification; the 30% "management fee" you cite in your letter is not a management fee. It is a holdback to cover the vendor's expenses associated with the cost of transporting, processing and billing inmate telephone calls. For example, in the inmate telephone industry, many individuals accept calls, but never pay the phone bill. This leads to a fairly high rate of bad debt and uncollectable calls. If the vendor were to pay 100% of the SEF rate increase then they would be paying on calls that were never collected.

This holdback percentage was something that was negotiated through the contract process with DTMB. It is my understanding that this type of holdback is common in government awarded contracts.

Once again, PCS is not paid any "fee" related to the Special Equipment Fund.

Walen, Enclosure 12, page 1

## SPECIAL EQUIPMENT FUND

## FY12 Negative Supplemental

Fund Shift from Equipment and Special Maint Line- Radios \$ 500,000

## FY12 Request

Tasers \$ 850,000  
Handheld Radios \$ 500,000

## Integrated Camera/Perimeter lighting systems:



|     |            |
|-----|------------|
| 1/2 | \$ 500,000 |
| 1/2 | \$ 500,000 |
| 1/2 | \$ 500,000 |
| 1/2 | \$ 500,000 |
| 1/2 | \$ 500,000 |
| 1/2 | \$ 500,000 |
| 1/2 | \$ 400,000 |
| 1/2 | \$ 150,000 |

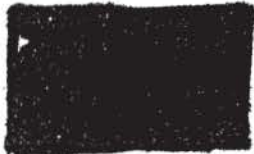
Software/Licensing  
Contingency and DTMB fees

\$ 3,550,000TOTAL \$ 4,900,000

## FY13 Request

Fund Shift from Equipment and Special Maint Line- Cell \$ 500,000Cell phone detection \$ 1,200,000  
Tasers \$ 150,000  
Ballistic Vests \$ 200,000  
Electronic Round Tracking \$ 200,000

## Integrated Camera/Perimeter lighting systems:



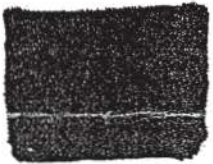
|     |            |
|-----|------------|
| 1/2 | \$ 500,000 |
| 1/2 | \$ 500,000 |
| 1/2 | \$ 500,000 |
| 1/2 | \$ 500,000 |
| 1/2 | \$ 500,000 |
| 1/2 | \$ 500,000 |
| 1/2 | \$ 400,000 |
| 1/2 | \$ 150,000 |

Software/Licensing  
Contingency and DTMB fees

\$ 3,550,000\$ 5,300,000

## FY13 Capital Outlay

## Integrated Personal Protection Systems:



|              |
|--------------|
| \$ 2,100,000 |
| \$ 2,400,000 |
| \$ 2,400,000 |
| \$ 2,100,000 |
| \$ 1,200,000 |
| \$ 1,200,000 |

\$ 11,400,000

Cameras RMI \$ 2,500,000Total \$ 13,900,000

## FY14 Request

Integrated Camera/Perimeter lighting systems (next 6) \$ 3,550,000  
Ballistic Vests \$ 800,000  
Electronic Round Tracking \$ 700,000  
Cell phone detection \$ 750,000  
\$ 5,800,000

## FY14 Capital Outlay

Integrated Personal Protection Systems (next 2) \$ 5,000,000  
\$ 5,000,000Grand Total thru FY14 \$ 35,900,000

Thru 14 5 yr

|            |       |       |
|------------|-------|-------|
| Radios     | 1     | 1     |
| Tasers     | 1     | 1     |
| Vests      | 1     | 1     |
| Rounds     | 0.9   | 0.9   |
| PPDs       | 16.4  | 45.6  |
| C/Ls       | 13.15 | 30    |
| Cell phone | 2.45  | 30    |
|            | 35.9  | 109.5 |





# MI-CURE NEWS

A QUARTERLY PUBLICATION OF  
MI-CURE, PO BOX 2736, KALAMAZOO, MI 49003-2736 (269)383-0028 February 2013

## UPDATE ON MICHIGAN PRISON PHONE SYSTEM

After months of waiting, the MDOC has finally provided us with information on what we understood was a management fee (30% of the Special Equipment Fund) being paid to the phone company PCS. In a letter dated January 10, 2013, Russ Marlan explains, "(T)he 30% 'management fee' you cite in your letter is not a management fee. It is a holdback to cover the vendor's expenses associated with the cost of transporting, processing and billing inmate telephone calls. For example, in the inmate telephone industry, many individuals accept calls, but never pay the phone bill. This leads to a fairly high rate of bad debt and uncollectible calls."

In previous contracts, the charges associated with the above costs of doing business (plus taxes and other fees) were incorporated into the base per-minute rates, rather than handled as a separate item. With this new understanding in mind, we performed a comparison of the per-minute rates for the previous (Embarq) contract and the current PCS contract. To do that we calculated the per-minute rate of PCS calls to include the base rate listed in the contract + the word search charge + 30% of the SEF fee + taxes and fees that are added. Taxes and fees vary based upon the nature of the call and the locations involved, so we calculated a minimum per-minute cost and a maximum per-minute cost. The comparisons are shown in the table below.

|                    | PCS Max<br>Rate | PCS Min<br>Rate | Embarq<br>Rate |
|--------------------|-----------------|-----------------|----------------|
| Intrastate Collect | 10.4¢           | 9.9¢            | 12¢            |
| Interstate Collect | 13.7¢           | 11.7¢           | 15¢            |
| Intrastate Debit   | 9.3¢            | 8.9¢            | 10¢            |
| Interstate Debit   | 11.3¢           | 11.2¢           | 12¢            |

In every case, the per-minute charge being paid to PCS is slightly less than the per-minute charge received by EMBARQ under the previous contract.

It remains unclear why it took so long for the MDOC to provide us with an explanation of the fee. What is crystal clear is the fact that we need to focus on the use of the Special Equipment Fund to ensure that the expenditures are justified, quantified, and end as soon as possible.

We all need to be asking legislators to demand that the department justify all of the planned expenditures. Below is a summary of the proposed purchases and some of our concerns.

[The department has had personal protection systems for years.]

What failures have occurred with the current system? What problems resulted from those failures? [Why must they now spend \$16.4 million on integrated personal protection systems? How would the new system have prevented previous problems?]

What are the weaknesses with the current camera and perimeter lighting systems? [Within the past few years, the MDOC has reduced perimeter surveillances of its facilities, arguing that those were unnecessary. Why then, must we spend \$9 million for integrated camera/perimeter lighting in 18 prisons?]

[The Department is proposing to spend \$2.5 million for cameras at the Reformatory. Why are we spending that much money to place cameras in an old facility when we have closed newer facilities in Detroit (Mound) and Standish?]

Why have we spent even \$1 on Tasers, let alone the \$1 million proposed by the MDOC? Prior to the introduction of these weapons, the MDOC relied on staff to de-escalate conflicts and resolve problems. That was apparently working. On January 27, 2011, MDOC administrator Russ Marlan was asked by a member of the House Judiciary Committee whether prison wardens believed that a good time system helps to manage prisoners. [Marlan reported that the state had managed its population fine without good time credits for more than 10 years. (We would add that they managed the population fine without Tasers since the system was established.) He testified that there is an expectation that prisoners will behave themselves and follow the rules laid out by the department. If that system has worked so well, why do we need Tasers?] We should be seeking ways to reduce tension in the system. All Tasers should be removed immediately.

The MDOC has notably confiscated very few contraband telephones. With universal visitor searches and random staff searches, this has simply not been a significant problem. Why then, is the department proposing to spend \$1.95 million on cell phone detection equipment?

The department is also proposing to purchase ballistic vests at a cost of \$1 million. [Citizens of the state are not expecting corrections officers, parole agents, or probation agents to perform as police officers. Why are we spending \$1 million for this equipment?]

Why must incarcerated persons and their loved ones purchase \$900,000 worth of equipment to ensure that officers are performing their rounds as required?

You, our readers, have a role here. Please check out our "Help Wanted" Section.

# REPORT TO THE LEGISLATURE

Pursuant to P.A. 59 of 2013

Section 219(3)

## Special Equipment Fund Revenues and Expenditures

Sec. 219(3). The department shall submit a report to the house and senate appropriations subcommittees on corrections, the house and senate fiscal agencies, the legislative corrections ombudsman, and the state budget director by February 1 outlining revenues and expenditures from special equipment funds. The report shall include all of the following:

(a) A list of all individual projects and purchases financed with special equipment funds in the immediately preceding fiscal year, the amounts expended on each project or purchase, and the name of each vendor the products or services were purchased from.

(b) A list of planned projects and purchases to be financed with special equipment funds during the current fiscal year, the amounts to be expended on each project or purchase, and the name of each vendor for which the products or services were purchased.

(c) A review of projects and purchases planned for future fiscal years from special equipment funds.

### FY13 SPECIAL EQUIPMENT FUND

| Planned Project                               | Project Description                                    | Estimated Cost     | Obligated as MOP Project | Expended/Encumbered |
|---|--|--------------------|--------------------------|---------------------|
| <b>FY13 Operating</b>                         |  |                    |                          |                     |
| Miscellaneous Equipment:                      | Tasers, Vests, Radios                                  | \$500,000          |                          |                     |
|   | Michigan Taser Distributing, Inc.                      |                    |                          | \$191,462           |
|   | Motorola Solutions, Inc.                               |                    |                          | \$171,973           |
|   | Myers Enterprises, Inc.                                |                    |                          | \$19,800            |
|   | Protective Products Enterprises, Inc.                  |                    |                          | \$28,888            |
|   | T & W Electronics, Inc.                                |                    |                          | \$46,860            |
|   | WW Grainger  |                    |                          | \$1,346             |
|   |  | \$500,000          | \$0                      | \$460,330           |
| Integrated Camera/Perimeter Lighting Systems: | Ionia Correctional Facility                            | \$1,000,000        | \$1,000,000              |                     |
|   | Department of Technology, Management and Budget (DTMB) |                    |                          | \$23,660            |
|   | OMM Engineering, Inc.                                  |                    |                          | \$8,566             |
|   | Matrix Consulting Engineers, Inc.                      |                    |                          | \$1,019             |
|   | Baraga Correctional Facility                           | \$1,000,000        | \$1,000,000              |                     |
|   | DTMB   |                    |                          | \$23,660            |
|   | OMM Engineering, Inc.                                  |                    |                          | \$5,378             |
|   | Richard A. Handlon Correctional Facility               | \$1,000,000        | \$1,000,000              |                     |
|   | OMM Engineering, Inc.                                  |                    |                          | \$42,558            |
|   | DTMB   |                    |                          | \$23,660            |
|   | Matrix Consulting Engineers, Inc.                      |                    |                          | \$944               |
|   | Alger Correctional Facility                            | \$1,000,000        | \$1,250,000              |                     |
|   | DTMB   |                    |                          | \$23,660            |
|   | OMM Engineering, Inc.                                  |                    |                          | \$4,030             |
|   | Carson City Correctional Facility                      | \$1,000,000        | \$1,623,238              |                     |
|   | OMM Engineering, Inc.                                  |                    |                          | \$1,309             |
|   | DTMB   |                    |                          | \$23,660            |
|   | Capital Consultants, Inc.                              |                    |                          | \$44,369            |
|   | Cooper Street Correctional Facility                    | \$1,000,000        | \$1,233,720              |                     |
|   | OMM Engineering, Inc.                                  |                    |                          | \$3,029             |
|   | DTMB   |                    |                          | \$23,660            |
|   | Matrix Consulting Engineers, Inc.                      |                    |                          | \$15,533            |
|   | Software/Licensing Perimeter                           | \$1,000,000        | \$1,000,000              |                     |
|   | Upgrade Senstar PPD at 11 facilities                   | \$2,000,000        | \$893,042                |                     |
|   |  | \$9,000,000        | \$9,000,000              | \$268,694           |
| <b>Total FY13 Operating</b>                   |  | <b>\$9,500,000</b> | <b>\$9,000,000</b>       | <b>\$729,024</b>    |
| <b>FY13 Capital Outlay</b>                    |  |                    |                          |                     |
| Integrated Camera/Perimeter Lighting Systems: | Kinross Correctional Facility                          | \$1,000,000        | \$1,000,000              |                     |
|   | DTMB   |                    |                          | \$47,053            |
|   | Nowak and Fraus, PLLC                                  |                    |                          | \$33,956            |
|   | St. Louis Correctional Facility                        | \$1,000,000        | \$1,000,000              |                     |
|   | DTMB   |                    |                          | \$47,025            |
|   | Wade-Trim, Inc.  |                    |                          | \$11,260            |
|   |  | \$2,000,000        | \$2,000,000              | \$139,293           |
| Integrated Personal Protection Systems:       | Kinross Correctional Facility                          | \$1,200,000        | \$1,200,000              |                     |
|   | DTMB   |                    |                          | \$17,441            |



|  |                            |                            |                           |
|--|----------------------------|----------------------------|---------------------------|
| Carson City Correctional Facility<br>DTMB        | \$2,350,000                | \$2,300,000                | \$33,668                  |
| Womens Huron Valley Correctional Complex<br>DTMB | \$2,350,000                | \$2,300,000                | \$33,668                  |
| Ionia Correctional Facility<br>DTMB              | \$1,200,000                | \$1,200,000                | \$17,441                  |
| Alger Correctional Facility<br>DTMB              | \$1,200,000                | \$1,300,000                | \$17,441                  |
| Saginaw Correctional Facility<br>DTMB            | \$1,200,000                | \$1,200,000                | \$17,441                  |
| Charles E. Egeler Correctional Facility<br>DTMB  | \$1,200,000                | \$1,200,000                | \$17,441                  |
| Baraga Correctional Facility<br>DTMB             | \$1,200,000                | \$1,200,000                | \$17,441                  |
|  | <u>\$11,900,000</u>        | <u>\$11,900,000</u>        | <u>\$171,982</u>          |
| <b>Total FY13 Capital Outlay</b>                 | <u><b>\$13,900,000</b></u> | <u><b>\$13,900,000</b></u> | <u><b>\$311,275</b></u>   |
| <b>FY13 Total Obligations</b>                    | <u><b>\$23,400,000</b></u> | <u><b>\$22,900,000</b></u> | <u><b>\$1,040,299</b></u> |

**FY14 & 15 SPECIAL EQUIPMENT FUND**

| <b>Planned Project</b>                        | <b>Project Description</b>                             | <b>Estimated Cost</b>      |
|---|--|----------------------------|
| <b>FY14 Operating</b>                         |  |                            |
| Security Equipment:                           | Cellphone Detection, Tasers, Vests, Radios, Stun Cuffs | \$500,000                  |
| Integrated Camera/Perimeter Lighting Systems: | Marquette Branch Prison                                | \$1,300,000                |
|   | Charles E. Egeler Correctional Facility                | \$1,100,000                |
|   | Macomb Correctional Facility                           | \$1,300,000                |
|   | Thumb Correctional Facility                            | \$1,300,000                |
|   | Software/Licensing Perimeter                           | \$300,000                  |
|   |  | <u>\$5,300,000</u>         |
| <b>Total FY14 Operating</b>                   |  | <u><b>\$5,800,000</b></u>  |
| <b>FY 14 Capital Outlay</b>                   |  |                            |
| Integrated Personal Protection Systems:       | Earnest C. Brooks Correctional Facility                | \$1,200,000                |
|   | Parnall Correctional Facility                          | \$1,200,000                |
|   | Chippewa Correctional Facility                         | \$2,400,000                |
|   | Cooper Street Correctional Facility                    | \$1,200,000                |
|   |  | <u>\$6,000,000</u>         |
| <b>Total FY14 Capital Outlay</b>              |  | <u><b>\$6,000,000</b></u>  |
| <b>FY14 Boilerplate Funding</b>               |  |                            |
| Prisoner Programming                          |  | <u><b>\$2,000,000</b></u>  |
| <b>FY14 Total Planned</b>                     |  | <u><b>\$13,800,000</b></u> |
| <b>FY15 Operating</b>                         |  |                            |
| Security Equipment:                           | Cellphone Detection, Tasers, Vests, Radios, Stun Cuffs | \$500,000                  |
| Integrated Camera/Perimeter Lighting Systems: | G. Robert Cotton Correctional Facility                 | \$1,200,000                |
|   | Earnest C. Brooks Correctional Facility                | \$1,200,000                |
|   | Oaks Correctional Facility                             | \$1,300,000                |
|   | Saginaw Correctional Facility                          | \$1,300,000                |
|   | Software/Licensing Perimeter                           | \$300,000                  |
|   |  | <u>\$5,300,000</u>         |
| <b>Total FY15 Operating</b>                   |  | <u><b>\$5,800,000</b></u>  |
| <b>FY 15 Capital Outlay</b>                   |  |                            |
| Integrated Camera/Perimeter Lighting Systems: | Gus Harrison Correctional Facility                     | \$1,500,000                |
| Integrated Personal Protection Systems:       | Central Michigan Correctional Facility                 | \$1,300,000                |
|   | G. Robert Cotton Correctional Facility                 | \$1,500,000                |
|   | Gus Harrison Correctional Facility                     | \$1,700,000                |
|   |  | <u>\$4,500,000</u>         |
| <b>Total FY15 Capital Outlay</b>              |  | <u><b>\$6,000,000</b></u>  |
| <b>FY15 Total Planned</b>                     |  | <u><b>\$11,800,000</b></u> |

7.4 All lines shall be programmed for PIC freeze.

- The CAM automatically prohibits calls to all long distance carrier access codes including 10-XXX, 101-XXXX Primary Interstate Carrier (PIC) codes, all local numbers that access long distance carriers such as 950-XXXX and toll-free area codes and exchanges. Sprint understands the State Department of Corrections will bear no responsibility for fraudulent calls or unbilled or uncollectable calls. Sprint will not deduct unbilled or uncollectable calls from monthly commissions. Sprint understands that the State is concerned about slamming calls. Sprint will guarantee the revenue from the PIC being circumvent, by paying 100% of the previous months commissions for that line.

7.5 Calls shall be identified to operator/system as being from a correctional facility and that it may only be a collect call. Other types of calls shall be prohibited.

- Sprint's System will be programmed to provide "branding" and other voice announcements as determined by the State, indicating to the called party that the call is from a correctional facility and is a collect call.

7.6 The operator/system shall verify acceptance of charges at the termination number prior to connecting the parties. During the verification process, prisoner shall not be able to hear transaction.

- The CAM allows the called party to accept or decline a call, or block further calls from the Facility by depressing a designated number on the telephone keypad. The System will not complete calls to answering machines, cell phones, or other such devices. Further, if the call is not completed (refusal, busy signal, unauthorized number, etc.) the CAM informs the inmate via automated voice response of the reason the call was not completed. As a result of the integration between the CAM and our validation system, all audio is muted between parties prior to call acceptance. The call charges begin upon positive acceptance of the call by the called party.

7.7 The operator/system shall announce to the called party that the call may be listened to or recorded by the Department of Corrections unless the call is to an attorney or elected official BEFORE CONNECTING THE PARTIES. Automated operator MUST complete this statement BEFORE connecting the parties.

Further, the CAM System allows for any specific telephone number to be marked as "Private," which prevents the call from being recorded, and prohibits monitoring of the call. In the event that a retrieval of a "marked" call is attempted, the System will inform the user that, "This call is prohibited from monitoring."

7.8 Prisoner calls originating from the Department of Corrections shall be uniquely identified on the operator's screen, e.g., 74-DOC.

- Sprint's Monitor application displays a concise description of activity for each phone. Phones that are in use will display the specific telephone location, inmate PIN and name, the destination number dialed, city and state of the destination, time and duration of call, any restrictions such as "Watched" or "Private", and the status of the call, for example "In Progress," "Calling Destination," "Get Acceptance".

7.9 Operators shall be prohibited from redialing telephone numbers.


7.10 Network busy calls shall default to a live operator. Live operator MUST announce that the call may be listened to or recorded by the Department of Corrections unless to an attorney or elected official BEFORE connecting the parties.

- The CAM features professionally recorded voice prompts that allow for specific call progressions and requirements. With the CAM System there is never a need to default to a live operator. When monitoring





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# BILL ANALYSIS

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Senate Bill 951 (S-1, Draft 2 as reported)  
Committee: Appropriations

Throughout this document Senate means Subcommittee.

FY 2011-12 Year-to-Date Gross Appropriation ..... \$1,936,573,800

## Changes from FY 2011-12 Year-to-Date:

1. **Facility-Level Noncustodial Staff Reductions.** Senate proposed elimination of 580.0 FTEs at individual facilities, including resident supervisors, secretaries, and librarians. (58,767,100)
2. **Full Year on FY 2011-12 Contingency Plans.** Governor included \$32.5 million in savings associated with the Mound Facility closure, \$10.0 million in savings by eliminating 115 vacant field operations positions, and \$11.1 million in savings from competitive bidding of health care, mental health, and the Woodland Facility; Senate concurred. (55,280,400)
3. **FY 2011-12 Unrealized Savings from Cost Effective Housing Initiative (CEHI).** FY 2011-12 CEHI called for \$31.3 million in savings, yet only \$20.9 million was achieved, resulting in a net increase. The savings resulted from reducing alert response vehicles and other facility administration changes. This item also accounts for six non-CEHI adjustments which cause a net increase of \$500,000. Senate rejected an add-back of \$3.5 million of previous central office reductions. 7,426,500
4. **Closure-Related Facility Costs.** Governor included \$3.5 million for post-closure maintenance and \$5.4 million for marginal costs associated with adding beds at some facilities. Senate included the \$3.5 million in the SEF instead; rejected the \$5.4 million. 0
5. **Anticipated Increases.** Neal, et al. settlement payment increased from \$15.0 million to \$20.0 million, \$4.5 million was added to allow for training of 210 additional corrections officers to replace retirees, and \$2.4 million was added to support IT systems. 11,977,000
6. **Reduction to MPRI.** Senate proposed a cut to re-entry programs of 2.7%. (1,409,600)
7. **Technical Adjustments and Transfers.** Governor transferred \$1.0 million for swift-and-sure sanctions to Judiciary and \$250,000 for the Legislative Ombudsman to the Legislature; Senate proposed to keep those IDGs in the bill and to increase the Judiciary IDG by \$4.0 million for a total of \$5.0 million. The parole/probation fee shortfall was offset using \$0 Gross (but \$800,000 GF/GP), and \$500,000 was included to pay local agencies to temporarily hold parole violators. State restricted and Federal funding was adjusted down by a net of \$5.2 million. (703,300)
8. **Reverse FY 2011-12 Adjustments on Unclassifieds and Prisoner Stores.** Governor restored FY 2011-12 reduction of \$175,000 to unclassified employee line item and restored \$3.8 million eliminated from prison storekeeper restricted funds; Senate concurred. 3,977,500
9. **Special Equipment Fund (SEF) and Capital Outlay.** Provided restricted funds from prisoner telephone fee revenue for use on operating budget security costs such as post-closure maintenance, cell phone jammers, and TASERS (\$5.3 million) and capital outlay items such as personal protection devices and security cameras (\$13.9 million). 19,182,000
10. **Public Safety Initiative - Cities in Distress.** Governor and Senate propose funding to free up space in crowded jails in high crime areas by leasing beds from counties with vacancies. 4,500,000
11. **Economic Adjustments.** Included \$199,544,300 for OPEB, a negative \$84,204,900 for economics and \$13,225,900 for one-time lump sum payments (1% union, 2% nonunion). 128,565,300
12. **One-Time: Technology.** Purchases five digital x-ray machines and file digitization software. 1,129,500
13. **Comparison to Governor's Recommendation.** The Senate is \$67,326,700 Gross under and \$67,326,700 GF/GP under the Governor.

Total Changes..... 60,597,400

FY 2012-13 Senate Appropriations Subcommittee Gross Appropriation ..... \$1,997,171,200